

PRESS RELEASE May 27, 2016

Rocky Mountain Power (2006) Inc. and Wind Power Inc.

Announce Signing of Historic Energy Storage Services Agreement



Rocky Mountain Power (2006) Inc. (“RMP”) and Wind Power Inc. (“WPI”) announced today that they have signed what is believed to be the first electricity marketing and storage services agreement in the world. Dale Johnson, the President of WPI, stated: “In order to add very large amounts of renewable energy to the grid, and eventually make the grid 100% renewable, energy storage is needed to stabilize the transmission system to ensure continued power supply reliability and to enhance the economics of renewable energy generation in a volatile spot market for electricity.” Mr. Johnson also said, “The new renewable energy policy, announced in late 2015 by the Alberta government, is exciting for renewable energy developers. It will result in large increases in renewable energy generation being integrated into the electrical grid over the next 15 years. Since wind generation is the least expensive source of renewable energy, it is likely that the bulk of the new renewable energy replacing coal fired generation will be wind. In order to ensure that wind energy is available to Albertans when it is needed, energy storage has to be added to the system as the fleet of wind generation grows. This is good for the environment and good for the Alberta economy as we diversify away from traditional coal and gas generation.”

Jan van Egteren, the President of RMP, stated that the agreement between WPI and SATL Inc., an RMP subsidiary, will enhance the economics of wind power. “Although the strong Alberta winds are a reliable resource, spot electricity prices are in constant flux. When the wind is at its peak and energy prices decline, we will switch on our electric motor driven compressors to store air underground in large salt caverns. When power pool prices rise significantly, that stored energy is released via our generation train into the market. We are, in effect, increasing the demand for electricity when the wind is surplus and then increasing electricity generation when the wind dies or the market is tight, providing a dispatchable and stable pool of renewable energy for the power system. This has the additional benefit of reducing price volatility for consumers.”

When built, RMP’s compressed air energy storage system, named the Alberta Saskatchewan Intertie Storage (“ASIS^t”), will be designed to generate up to 160MW of electricity for up to 60 hours. That is enough stored energy to supply the City of Red Deer at its peak load for almost one week. Mr. van Egteren explained that our long term netback electricity marketing and storage services agreement will provide clean wind energy to the market when and where it is needed. As far as we know, no renewable generator in the world has ever signed on with an energy storage service provider under a long term net back agreement like the one we contemplate. **RMP and WPI are pleased to be working together in a truly unique electricity marketing and storage deal. This will be a real game changer for the industry.**

Wind Power Inc. is an Alberta based wind development company started in 1983 and headquartered in southern Alberta. WPI developed and built Canada’s first large wind facility, the 19 MW Cowley Ridge Project. WPI plans to build at least three wind farms in southern Alberta over the next 5 years having a total generating capacity of roughly 800 megawatts. WPI’s proposed wind generation projects will replace coal fired generation in Alberta, resulting in the reduction of 2,500,000 tons of CO₂ each year for the life of the projects.

RMP is a renewable energy project developer specializing in integrated solutions that are necessary to add more renewable energy to the grid in a cost effective manner without sacrificing electricity supply reliability.

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